

**North Dakota
Schedule K-1
(Form 58)****2008****Partner's Share of North Dakota Income (Loss),
Deductions, Adjustments, Credits, and Other Items**

▶ See separate instructions

Part 1 Partnership information**A** Partnership's federal EIN _____**B** Partnership's name, address, city, state, and ZIP code _____**Part 2 Partner information****C** Partner's SSN or FEIN (from Federal Schedule K-1) _____**D** Partner's name, address, city, state, and ZIP code
(from Federal Schedule K-1) _____**E** What type of entity is this partner? _____**F** If partner is an individual, estate, or trust, partner is a:☐ **Full-year resident** of North Dakota ☐ **Part-year resident**
of North Dakota☐ **Full-year nonresident** of North Dakota**G** Is partner included in a composite return? ☐ Yes ☐ No**H** Partner's share of profit and loss:

	Beginning	Ending
Profit	%	%
Loss	%	%

I Partner's ownership percentage: _____%**Part 3 All partners - North Dakota adjustments
and tax credits**

- 1** Federally-exempt income from non-ND state
and local bonds and foreign securities _____
- 2** State and local income taxes deducted in
calculating ordinary income (loss) _____
- 3** Interest from U.S. obligations _____
- 4** Renaissance zone income exemption _____
- 5** New or expanding business exemption _____
- 6 a** Beginning farmer gain deduction _____
- b** Beginning farmer interest deduction _____
- c** Beginning farmer rent deduction _____
- 7** Beginning entrepreneur rent deduction _____
- 8** Gain from eminent domain sale _____

☐ Final ☐ Amended**Partnership's** ☐ **Calendar year 2008** (Jan. 1 - Dec. 31, 2008)
tax year:☐ **Fiscal year:** Beginning _____, 2008
Ending _____, 20 ____**Part 3 continued . . .**

- 9** Renaissance zone: Historic property
preservation/renovation tax credit _____
- 10** Renaissance zone: Renaissance fund
organization investment tax credit _____
- 11** Seed capital investment tax credit _____
- 12** Agricultural commodity processing
facility investment tax credit _____
- 13** Supplier biodiesel fuel tax credit _____
- 14** Seller biodiesel fuel tax credit _____
- 15** Biomass, geothermal, solar, or wind energy
device tax credit _____
- 16** Certified North Dakota nonprofit development
corporation investment tax credit _____
- 17** Employer internship program tax credit _____
- 18** Microbusiness tax credit _____
- 19** Research expense tax credit _____
- 20** Endowment fund tax credit _____
- 21** Workforce recruitment credit _____

**Part 4 Nonresident individual, estate or trust
partner only - North Dakota income (loss)**

- 22** Partnership's apportionment factor _____
- 23** Ordinary income (loss) _____
- 24** Net rental real estate income (loss) _____
- 25** Other net rental income (loss) _____
- 26** Guaranteed payments _____
- 27** Interest income _____
- 28** Ordinary dividends _____
- 29** Royalties _____
- 30** Net short-term capital gain (loss) _____
- 31** Net long-term capital gain (loss) _____
- 32** Net section 1231 gain (loss) _____
- 33** Other income (loss) _____
- 34** Section 179 deduction _____
- 35** Other deductions _____
- 36** I.R.C. Section 179 property disposition
gain (loss) _____

Part 5 Nonresident individual partner only

- 37** North Dakota distributive share of income
(loss) _____
- 38** North Dakota income tax withheld _____
- 39** North Dakota composite income tax _____

2008**Partner's Instructions for North Dakota Schedule K-1 (Form 58)****Purpose of schedule**

North Dakota Schedule K-1 (Form 58) is provided to you by the partnership to show your share of the income, gains, losses, deductions, and other items from the partnership that you need to complete your North Dakota income tax return. These instructions will assist you in transferring the amounts from the schedule to your North Dakota income tax return.

Partnership or corporation partner. If you are a corporation, partnership, or a limited liability company treated like a corporation or partnership, you have received North Dakota Schedule K-1 only to show your share of the partnership's North Dakota statutory adjustments or tax credits that may affect the preparation of your North Dakota income tax return. See the instructions to Part 3.

Resident individual, estate, or trust

partner. If you are a North Dakota resident individual, estate, or trust, you must report to North Dakota your entire share of the partnership's income, gains, losses, and deductions that are included in your federal taxable income. You have received North Dakota Schedule K-1 only to show your share of the partnership's North Dakota statutory adjustments or tax credits that may affect the preparation of your North Dakota income tax return. See the instructions to Part 3.

Nonresident individual, estate, or trust

partner. If you are a nonresident individual, estate, or trust, you must report to North Dakota your share of the partnership's income, gains, losses, and deductions that are apportioned and allocated to North Dakota based on the partnership's activity in North Dakota. These items are shown in Part 4 of North Dakota Schedule K-1. Unless you are a nonresident individual who elected to include your share of these items in a composite return filed on your behalf by the partnership, you must file a North Dakota income tax return to report and pay the required income tax on them.

Composite return election. If you are a nonresident individual who elected to include your share of the partnership's North Dakota income, gains, losses, and deductions in a composite return filed by the partnership, you are not required to file a North Dakota individual income tax return. If this applies to you, you received North Dakota Schedule K-1 to show your share of these

items and the composite income tax paid on them. If you later choose to file your own North Dakota individual income tax return, follow the instructions below to transfer the amounts from North Dakota Schedule K-1 to your return.

Amended Schedule K-1 (Form 58). If you received an amended North Dakota Schedule K-1 (Form 58) from the partnership, and you previously filed a North Dakota income tax return, you must file an amended North Dakota income tax return to report the changes in income, gains, losses, and deductions. You also must attach a copy of the amended North Dakota Schedule K-1 (Form 58) to your amended North Dakota income tax return.

Note: Any reference to another North Dakota form and line number contained in these instructions is a reference to the form to be used for the 2008 tax year. Therefore, report the amounts from the 2008 North Dakota Schedule K-1 on your 2008 North Dakota return. However, if you and the partnership do not have the same tax year, enter the amounts on the North Dakota return that you file for the tax year in which the partnership's tax year ends. For example, if you file on a calendar year basis, and the partnership's tax year ends in February 2009, report the amounts on your 2009 return.

Part 3**All partners—North Dakota adjustments and tax credits**

Note: Wherever you see "Not applicable" in the right-hand column of the following lists, it means that the item does not apply to the return being completed; do not enter the item on the return.

Lines 1–21

Form ND-1 filer:

Include the amount from this schedule:

Lines 1–2	On:	Not applicable
Line 3		Form ND-1, line 6
Line 4		Sch. RZ, Part 1, line 14
Line 5		Form ND-1SA, line 2
Lines 6–8		Not applicable
Line 9		Sch. RZ, Part 4, line 7
Line 10		Sch. RZ, Part 5, line 4
Line 11		Sch. ND-1TC, line 4
Line 12		Sch. ND-1TC, line 3
Line 13		Sch. ND-1TC, line 6
Line 14		Sch. ND-1TC, line 7
Lines 15–16		Not applicable
Line 17		Sch. ND-1TC, line 8a

Line 18	Sch. ND-1TC, line 9a
Line 19	Sch. ND-1TC, line 10a
Line 20	Sch. ND-1TC, line 12
Line 21	Sch. ND-1TC, line 13a

Form ND-2 (Schedule 2 filer only):

Include the amount from this schedule:

On:	
Line 1	Sch. 2, line 2
Line 2	Sch. 2, line 3
Line 3	Sch. 2, line 7
Line 4	Sch. RZ, Part 1, line 14
Line 5	Sch. 2, line 19
Line 6a	Sch. 2, line 14
Line 6b	Sch. 2, line 12
Line 6c	Sch. 2, line 13
Line 7	Sch. 2, line 16
Line 8	Sch. 2, line 19
Line 9	Sch. RZ, Part 4, line 7
Line 10	Sch. RZ, Part 5, line 4
Lines 11–21	Page 1, line 4

Form ND-2 (Schedule 3 filer only):

Include the amount from this schedule:

On:	
Line 1	Sch. 3, Part 1, line 12
Line 2	Sch. 3, Part 1, line 17
Line 3	Not applicable
Line 4	Sch. RZ, Part 1, line 14
Line 5	Sch. 3, Part 1, line 5
Line 6a	Sch. 3, Part 1, line 4
Line 6b	Sch. 3, Part 1, line 2
Line 6c	Sch. 3, Part 1, line 3
Lines 7–8	Sch. 3, Part 1, line 5
Line 9	Sch. RZ, Part 4, line 7
Line 10	Sch. RZ, Part 5, line 4
Lines 11–21	Page 1, line 4

Form 38 (Schedule 1 filer only):

Include the amount from this schedule:

On:	
Lines 1–2	Not applicable
Line 3	Sch. 1, Part 1, line 4a
Line 4	Sch. RZ, Part 1, line 14
Line 5	Sch. 1, Part 1, line 4c
Lines 6–8	Not applicable
Line 9	Sch. RZ, Part 4, line 7
Line 10	Sch. RZ, Part 5, line 4
Lines 11–14	Form 38, page 1, line 3
Lines 15–16	Not applicable
Lines 17–21	Form 38, page 1, line 3

Form 38 (Schedule 2 filer only):

Include the amount from this schedule:

On:	
Lines 1–2	Sch. 2, Part 1, line 2
Line 3	Sch. 2, Part 1, line 4a
Line 4	Sch. RZ, Part 1, line 14
Lines 5–8	Sch. 2, Part 1, line 4a
Line 9	Sch. RZ, Part 4, line 7
Line 10	Sch. RZ, Part 5, line 4
Lines 11–21	Form 38, page 1, line 3

Form 40 filer:

Include the amount from this schedule:

Line 1	Sch. SA, line 5
Line 2	Sch. SA, line 3
Line 3	Sch. SA, line 11
Line 4	Sch. RZ, Part 1, line 14
Line 5	Page 1, line 9
Lines 6–7	Not applicable
Line 8	Sch. SA, line 17
Line 9	Sch. RZ, Part 4, line 7
Line 10	Sch. RZ, Part 5, line 4
Line 11	Sch. TC, line 12
Line 12	Sch. TC, line 15
Line 13	Sch. TC, line 13
Line 14	Sch. TC, line 14
Line 15	Sch. TC, line 3
Line 16	Sch. TC, line 9
Line 17	Sch. TC, line 18
Line 18	Sch. TC, line 17
Line 19	Sch. TC, line 6
Line 20	Sch. TC, line 16
Line 21	Sch. TC, line 20

Form 35 filer:

Include the amount from this schedule:

Line 1	Sch. SA, line 4
Line 2	Sch. SA, line 3
Line 3	Not applicable
Line 4	Sch. RZ, Part 1, line 14
Lines 5–8	Not applicable
Line 9	Sch. RZ, Part 4, line 7
Line 10	Sch. RZ, Part 5, line 4
Lines 11–21	Not applicable

Forms 58 and 60: Include the amounts from lines 1–21 of this schedule on the applicable lines of Schedule K of Form 58 or Form 60.

Part 4 Nonresident individual, estate, or trust partners only— North Dakota income (loss)

Line 22

Enter the partnership's apportionment factor from Schedule FACT, line 14.

Lines 23–36

If you are a nonresident individual, estate, or trust, lines 23 through 36 of Part 4 show your share of the partnership's North Dakota income, gains, losses, and deductions that you must report on your North Dakota income tax return. Transfer these amounts to your North Dakota income tax return as instructed below based on the type of return you are filing.

If the full amount of any item is not included in your adjusted gross income on your federal income tax return because of limitations on the deductibility of a passive activity loss, capital loss, section 179 deduction, or for any other reason, enter on your North Dakota return only that portion of the item included in your federal adjusted gross income.

Attach a statement to your North Dakota income tax return explaining any difference between an amount shown on North Dakota Schedule K-1 (Form 58) and the amount reported on your North Dakota income tax return.

Form ND-1 filer (nonresident only):

Include the amount from this schedule:	On Schedule ND-1NR, Column B:
Lines 23–26	Line 6
Lines 27–28	Line 2
Line 29	Line 6
Lines 30–32	Line 4
Line 33	Line 8
Lines 34–35	Line 6
Line 36	Line 4

Form ND-2 filer (nonresident only):

Include the amount from this schedule:	On Schedule 3, Part 2, Column B:
Lines 23–26	Line 6
Lines 27–28	Line 2
Line 29	Line 6
Lines 30–32	Line 4
Line 33	Line 8
Lines 34–35	Line 6
Line 36	Line 4

Form 38, Schedule 1 filer (nonresident only)

Include the amount from this schedule:	On Schedule 1, Part 2, Column B:
Lines 23–26	Line 5
Line 27	Line 1
Line 28	Line 2
Line 29	Line 5
Lines 30–31	Line 4
Line 32	Line 4 or 7
Line 33	Line 8
Lines 34–35	Line 5
Line 36	Line 4 or 7

Form 38, Schedule 2 filer (nonresident only)

Include the amount from this schedule:	On Schedule 2, Part 2, Column B:
Lines 23–26	Line 5
Line 27	Line 1
Line 28	Line 2
Line 29	Line 5

Lines 30–31	Line 4
Line 32	Line 4 or 7
Line 33	Line 8
Lines 34–35	Line 5
Line 36	Line 4 or 7

Part 5 Nonresident individual partner only

Lines 37 through 39 apply only to a nonresident individual partner.

Line 37

This is the net amount of your North Dakota distributive share of income (loss) from the partnership. Do not enter the amount from this line anywhere on your return. ***It is for your information only.***

If you have a North Dakota distributive share of income of \$1,000 or more, the partnership was required to withhold North Dakota income tax from it at the rate of 5.54% unless you elected to include it in a composite return filed by the partnership.

Line 38

If applicable, the amount shown on this line is the amount of North Dakota income tax withheld by the partnership from your North Dakota distributive share of income. Include this amount on Form ND-1, line 26, or Form ND-2, page 1, line 8. **Attach a copy of North Dakota Schedule K-1 (Form 58) to your return.**

Line 39

If you elected to include your North Dakota distributive share of income (loss) in a composite return, the amount shown on this line is the amount of North Dakota composite income tax paid on your behalf by the partnership. If you made this election, you are not required to file your own North Dakota individual income tax return. ***This is for your information only.***

Note: If you later choose to file your own North Dakota individual income tax return, you may claim this amount as a tax payment on your return. Attach a copy of the North Dakota Schedule K-1 (Form 58) to your return to support the amount claimed.